Page 1 of 4

Electronically Recorded

Official Public Records

Tarrant County Texas

11/17/2009 12:03 PM

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Diga Hinkey

Suzanne Henderson

PGS 4

\$28.00

Submitter: SIMPLIFILE



CHESAPEAKE ENERGY CORP. ATTN: RECORDING TEAM P.O. Box 18496

Oklahoma City, OK 73154

Submitter: Chesapeake Operating, Inc.

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE GEFICIAL REGORD.

ELECTRONICALLY RECORDED BY SIMPLIFILE

Bv: _____

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL GR USE OF THE DESCRIBED REAL PROPERTY BEGAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision



OILGAS 20080091152

PAID UP OIL AND GAS LEASE

(No Surface Use) Romana Ann Dugas, also known

THIS LEASE AGREEMENT IS made this 22 day of October, 2007, by and between as, Komona Ann Doby 2650 S. Forum Or. 48107, Grand Prairie

And CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and

In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases end lets exclusively to Lessee the following described nd, hereinafter called leased premises:

0.151 acres of land, more or less, being 14 Lat 20 out of the Common Estates an addition to the city of Grand Prairie Texas, being more particularly described by metes and bounds in that certain warrant beauty and recorded in 5/25/2005 Volume , Page , of the official Public Record , of Dayle's County, Texas; INStrument # \$205148 200

more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purposa of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/setsmic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcets of land now or hereafter owned by Lessor which are configuous or adjacent to the above-described leased premises, end, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessen's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royallies hereunder, the number of gross acres above specified shall be deemed correct, whether actuelly more or less.

This lease, which is e "paid-up" lease requiring no rentals, shall be in force for a primary term of five (5) years from the date hereof, end for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

- gas of other substances covered nereby are produced in paying quantities from the leased premises or from tands pooled therewith or this lease is different and other substances produced end saved hereunder shall be paid by Lessee to Lessor as follows: (e) For oil and other siquid hydrocarbons separated et Lessee's separator facilities, the royalty shall be twenty percent (20%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then pravailing in the same field (or if there is no such price then pravailing in the same field, then in the nearest field in which there is such a prevailing price and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be twenty percent (20%) of the proceeds realized by Lesses from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such ges or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhand market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases shall nevertheless be deemed to be producing in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covered by this lease, such payment to be made to lassor or to Less
- 4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor's credit in <u>at lessor's address above</u> or its successors, which shall be Lessor's depository egent for receiving payments regerdless of changes in the ownerable of said (and. All payments or tenders may be made in currency, or by check or by draft end such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped anvelope eddressed to the depository or to the Lessor et the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee e proper recordable instrument naming another institution as depository agent to receive
- payments.

 5. If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an edditional well or for otherwise obtaining or restoring production on the leased premises or tands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days efter such cessation of all production. If et the end of the primary tarm, or et any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production thereform, this lease shall remain in force so long as any one or more of such operations are proseculed with no ceassation of more than 90 consecutive days, end if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of e well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (e) develop the leased premises as to formations then capable of producing in paying quantities from uncompensated drahage by any wall or wells located on other lands not pooled therewith. There shall be no coverant to drill exploratory wells or eny additional wells except as expressly provided herein.
- crainage by any wall or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or eny additional wells except as expressly provided herein.

 5. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to sny or all depths or zones, and as to eny or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop-or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not e horizontal completion shall not exceed 80 ecres plus a maximum acreage tolerance of 10%, end for a gas well or e horizontal completion shall not exceed 80 ecres plus a maximum acreage tolerance of 10%, end for a gas well or e horizontal completion shall not exceed 80 ecres plus a maximum acreage tolerance of 10%, end for a gas well or e horizontal completion shall not exceed 80 ecres plus a maximum acreage tolerance of 10%, end for a gas well or e horizontal completion is the foregoing, that terms "oil well" and "gas well" shall have the meanings prescribed, of permitted by any governmental authority, or, if no definition is so prescribed, "oil well" means e well with an initied gas-oil retio of tees than 100,000 cubic feet per barrel and "gas well" means e well with an initied gas-oil retio of tees than 100,000 cubic feet per barrel and "gas well" means e well with an initied gas-oil retio of tees than 100,000 cubic feet per barrel and "gas well" means e well with an initied gas-oil retio of tees than 100,000 cubic feet per barrel and "gas well" means e well with an initied gas-oil retio of tees than 100,000 cubic feet per barrel of the terms "norizontal completion" means an oil well in which thorizontal component of the gross completion interval in facilities

of the leased premises or rangs posted interesting stem be reasonable to the part of the leased premises.

S. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zona, and the rights and obligations of the parties bereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessas's usual form of division order. In the evant of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If all any time two or more

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persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its Interest hereunder in whole or in part Lassee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and fallure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to eny interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the erea covered by this lease, the obligation to pay or tender shut-in royaltias heraunder shell be divided between Lessee end the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time end from time to time, delivar to Lessor or file of record a written release of this lease es to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the Interest so released. If Lessee are leases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest relatined hereunder.

It lesses releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or fender shut-in royallies shall be proportionately reduced in eccordence with hin end accesege interest relatined hereunder.

10. In exploring for, developing, producing end marketing oil, gas end other substances covered hereby on the leased premises or lands pooled or unitized herewith, in marketing over the proposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, that we will suppose the wells, injection wells, pits, electric and talaphone lines, power stations, and other facilities deemen decessary by Lessee to discovary, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises accept wells from Lessor's wells or ponds. In exploring, developing, producing or marketing from the lessed premises or lands pooled therewith, the ancillary rights granted herein shall epply (a) to the entire lessed premises described in Peragraph 1 above, notwithstanding any partial release or other partial termination of this lesse, and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the lessed premises or lands pooled therewith. When requested by Lessor in which are the produced the review of the lessed premises or lands pooled therewith. When requested by Lessor in which are the produced the review of the lesses of the lesses of the review of the review last produced therewith. When requested by Lessor in which lessors consent in the vicinity of the lessed premises or lands pooled therewith. When requested by Lessor in which lessors of the lesses of the review of the review last partial remarked the lesses of the lesses of the review of the review last lesses or last partial remarked the lesses of the lesses of the review last lesses or such and in eccordance with the net acreage interest relained hereunder.

10. In exploring for, developing, producing end marketing oil, gas end other substances covered hereby on the leased premises or lands pooled or unitized herewith, in

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use tha surface of the leased premises for drilling or other

IN WITNESS WHEREOF, this lesse is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

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STATE OF TEXAS			kypran a	* KONGOO IAI	
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KINIH HOWEN	2000	Notary Public, State of Te	exas		===1
	•	Notary's name (printed):		SPERKL ALIEN	11
		Notary's commission exp	TO A NO	otary Public, State of Texas My Commission Expires	·
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STATE OF TEXAS			The state of the s	24Diaumon 14' to 1	
COUNTY OF					
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		Notary Public, State of T			
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Book, Page, of the	ecords of this office.				
By Clerk (or Deputy)					

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

John F. Warren, County Clerk
Dallas County TEXAS

March 20, 2008 10:45:48 AM

FEE: \$20.00

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